

Screening for Dorset Partners Turnaround Deals

Date: _____

(Finder's fee paid upon closing)

Your Name, Email, Phone #: _____

Business Name: _____ Industry: _____

Location: _____ Ownership: _____

Senior Lender/Bank: _____ Recent 12-month Revenue \$ _____ EBITDA ___%

Business needs these qualifications

- | | | | |
|-------------------------------------|-------|------------------------------|-------|
| - Peak Revenue above \$50 million. | Y / N | Manufacturing or Industrial. | Y / N |
| - Formerly Successful / Profitable. | Y / N | Distressed. | Y / N |

Other Strong Attributes:

- | | | | |
|---------------------------------|-------|----------------------------|-------|
| - Blue Chip Customers | Y / N | Engineered Products | Y / N |
| - Excess Manufacturing Capacity | Y / N | How much and how measured? | |

Problems:

- | | | |
|-----------------------------|-------|--------------|
| - IRS / EPA / DOL Problems | Y / N | Which? _____ |
| - Pension or Union Problems | Y / N | Which? _____ |

Screening Questions:

1. When was the last profitable year?
 - a. What was EBITDA % over each of last 5 years?

2. What happened? How did company go from good to bad?

3. Top 3 issues in order;
 - a.
 - b.
 - c.

4. What's the solution? Is there a turnaround plan or thesis? What's the magic wand solution?

5. What's the value of Sales Backlog? Measured by revenue \$ and months of breakeven sales

6. Values

a. A/R =

b. Inventory = \$ _____

i. Raw = \$ _____

ii. WIP = \$ _____

iii. Finished = \$ _____

c. Machinery & Equipment, Appraised? When? Forced Liquidation Value = \$ _____

7. What role do you see yourself playing? Lead sourcing, Due Diligence or an ongoing operational role?

8. Average Annual Capex Needs? \$ and description.

9. Is there deferred maintenance? If so, explain and estimate cost to catch up.

10. What's the situation? Default on loan, in bankruptcy, foreclosure, custo
a. How pressing or urgent?

11. Please provide the debt stack

12. Management strengths/ weaknesses

13. Other thoughts and comments?

14. Suggested next steps and how do we make contact?